

**LEGISLATIVE FISCAL ESTIMATE**  
[Second Reprint]  
**ASSEMBLY, No. 672**  
**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

DATED: AUGUST 16, 2022

**SUMMARY**

- Synopsis:** Establishes Water Apprenticeship, Training, and Employment Resources (WATER) Pilot Program in DOLWD; appropriates \$1 million.
- Type of Impact:** Five-Year State expenditure increase and potential State revenue increase.
- Agencies Affected:** Department of Labor and Workforce Development; Department of the Treasury; and Public Institutions of Higher Education.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Years 2 Through 5</u></b>
<b>State Cost Increase</b>	Up to \$1 million	Indeterminate
<b>Potential State Revenue Increase</b>	Indeterminate	Indeterminate
<b>Potential Revenue Increase to Public Institutions of Higher Education</b>	Indeterminate	Indeterminate

- The Office of Legislative Services (OLS) finds that the bill will increase State expenditures by an indeterminate amount as a result of the establishment and administration of the Water Apprenticeship, Training, and Employment Resources (WATER) Pilot Program in the Department of Labor and Workforce Development (DOLWD). The bill appropriates \$1 million from the General Fund to the newly established WATER Fund for the purposes of the bill.
- The OLS cannot quantify any State expenditure increase beyond the \$1 million because it is uncertain how many eligible applicants will apply for WATER grants and demonstrate the specified requirements.
- The OLS notes the bill requires the DOLWD to solicit grants and donations to the WATER Fund from interested public or private sources. If received, such funding would represent a State revenue increase.

- The OLS also notes that the bill may potentially increase revenue to institutions of higher education. The bill includes colleges and universities as eligible applicants for WATER grants.

## **BILL DESCRIPTION**

This bill would create a five-year WATER Pilot Program in the DOLWD to provide grants to support funding for newly-established adult apprenticeship programs in the water infrastructure, water utilities, and other water-related sectors, including, but not limited to, those employing wastewater workers, and those focusing on underserved and underrepresented communities. Any organizational sponsor of an apprenticeship program would be eligible to receive a grant, including businesses, labor organizations, colleges and universities, workforce training providers, non-profit organizations, public utilities, local government entities and authorities, and trade organizations, provided that they have secured an industry partner or a monetary or in-kind funding contribution.

Beginning one year after the effective date of the bill, and each year thereafter for the duration of the pilot grant program, the Commissioner of Labor and Workforce Development would be required to submit to the Governor and the Legislature a report that evaluates the results of the program and its effectiveness.

In addition, the bill would create a special, non-lapsing fund to be known as the WATER Fund in the Department of the Treasury to collect and invest moneys to be used for the purposes of the bill. The bill provides that the WATER Fund may consist of moneys appropriated by the Legislature for inclusion in the fund, investment earnings of the fund, and moneys contributed to the fund by private sources. The bill directs the DOLWD to solicit grants and donations to the fund from interested public or private sources. The bill appropriates \$1 million from the General Fund to the WATER Fund for the purposes of the bill.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS finds that the bill will increase State expenditures by an indeterminate amount as a result of the establishment and administration of the WATER Pilot Program in the DOLWD. The bill appropriates \$1 million from the General Fund to the newly established WATER Fund for the purposes of the bill. The OLS cannot quantify any State expenditure increase beyond the \$1 million because it is uncertain how many eligible applicants will apply for WATER grants and demonstrate the specified requirements.

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The OLS also notes that the bill may potentially increase revenue to institutions of higher education. The bill includes colleges and universities as eligible applicants for WATER grants.

*Section: Commerce, Labor and Industry*

*Analyst: Jamie E. Galemba*  
*Lead Counsel*

*Approved: Thomas Koenig*  
*Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).